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Robert R. Kinas (Nevada Bar No. 6019)
 Claire Y. Dossier (Nevada Bar No. 10030)
 Nishat Baig (Nevada Bar No. 11047)
 SNELL & WILMER L.L.P.
 3883 Howard Hughes Parkway, Suite 1100
 Las Vegas, NV 89169
 Telephone: (702) 784-5200
 Facsimile: (702) 784-5252
 Email: rkinas@swlaw.com
 cdossier@swlaw.com
 nbaig@swlaw.com
*Attorneys for Caterpillar Financial Services
 Corporation*

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re: Heritage Land Company, LLC <input type="checkbox"/> Affects this Debtor	Case No. 09-14778-LBR Case No. 09-14814-LBR Case No. 09-14817-LBR
In re: The Rhodes Companies, LLC <input type="checkbox"/> Affects this Debtor	Case No. 09-14818-LBR Case No. 09-14820-LBR Case No. 09-14822-LBR
In re: Tribes Holdings, LLC <input type="checkbox"/> Affects this Debtor	Case No. 09-14825-LBR Case No. 09-14828-LBR Case No. 09-14833-LBR
In re: Apache Framing, LLC <input type="checkbox"/> Affects this Debtor	Case No. 09-14837-LBR Case No. 09-14839-LBR Case No. 09-14841-LBR
In re: Geronimo Plumbing, LLC <input type="checkbox"/> Affects this Debtor	Case No. 09-14843-LBR Case No. 09-14844-LBR Case No. 09-14846-LBR
In re: Bravo, Inc. <input type="checkbox"/> Affects this Debtor	Case No. 09-14848-LBR Case No. 09-14849-LBR Case No. 09-14850-LBR
In re: Elkhorn Partners <input type="checkbox"/> Affects this Debtor	Case No. 09-14852-LBR Case No. 09-14853-LBR Case No. 09-14854-LBR
In re: Six Feathers Holdings, LLC <input type="checkbox"/> Affects this Debtor	Case No. 09-14856-LBR Case No. 09-14858-LBR Case No. 09-14860-LBR
In re: Elkhorn Investments, Inc. <input type="checkbox"/> Affects this Debtor	Case No. 09-14861-LBR Case No. 09-14862-LBR Case No. 09-14865-LBR
In re: Jarupa, LLC <input type="checkbox"/> Affects this Debtor	Case No. 09-14866-LBR Case No. 09-14868-LBR
In re: Rhodes Realty, Inc. <input type="checkbox"/> Affects this Debtor	
In re: C & J Holdings, Inc. <input type="checkbox"/> Affects this Debtor	

Snell & Wilmer
 LLP

LAW OFFICES
 3883 HOWARD HUGHES PARKWAY, SUITE 1100
 LAS VEGAS, NEVADA 89169
 (702) 784-5200

1 In re: Rhodes Ranch General Partnership
☐ Affects this Debtor

2 In re: Rhodes Design and Development
 Corporation
☐ Affects this Debtor

3 In re: Parcel 20, LLC
☐ Affects this Debtor

4 In re: Tuscany Acquisitions IV, LLC
☐ Affects this Debtor

5 In re: Tuscany Acquisitions III, LLC
☐ Affects this Debtor

6 In re: Tuscany Acquisitions II, LLC
☐ Affects this Debtor

7 In re: Tuscany Acquisitions, LLC
☐ Affects this Debtor

8 In re: Rhodes Ranch Golf Country Club
☐ Affects this Debtor

9 In re: Overflow, LP
☐ Affects this Debtor

10 In re: Wallboard, LP
☐ Affects this Debtor

11 In re: Jackknife, LP
☐ Affects this Debtor

12 In re: Batcave, LP
☐ Affects this Debtor

13 In re: Chalkline, LP
☐ Affects this Debtor

14 In re: Glynda, LP
☐ Affects this Debtor

15 In re: Tick, LP
☐ Affects this Debtor

16 In re: Rhodes Arizona Properties, LLC
☐ Affects this Debtor

17 In re: Rhodes Homes Arizona, LLC
☐ Affects this Debtor

18 In re: Tuscany Golf Country Club, LLC
☐ Affects this Debtor

19 In re: Pinnacle Grading, LLC
☒ Affects this Debtor

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Case No. 09-14882-LBR
 Case No. 09-14884-LBR
 Case No. 09-14887-LBR

**Jointly Administered Under
 Case No. BK-S-09-14814-LBR**

Chapter 11

**CONDITIONAL OBJECTION TO
 CHAPTER 11 PLAN**

Date Of Hearing: January 14, 2010

Time Of Hearing: 9:00 a.m.

Place Of Hearing:

**United States Bankruptcy Court
 Foley Federal Building
 300 Las Vegas Blvd South, Third Floor
 Courtroom No. 1
 Las Vegas, Nevada 89101**

1 CATERPILLAR FINANCIAL SERVICES CORPORATION ("Caterpillar") hereby submits
 2 its Conditional Objection to the *Second Amended Modified Plan of Reorganization Pursuant to*
 3 *Chapter 11 of the Bankruptcy Code for the Rhodes Companies, LLC, et al.* [Docket No. 797] (the
 4 "Plan") because while the Plan provides for rejection of the subject lease, it does not provide for the
 5 immediate turnover of Caterpillar's equipment under the lease.

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 7 **MEMORANDUM OF POINTS AND AUTHORITIES**

8 On or about March 31, 2006, Caterpillar and Pinnacle Grading, LLC ("Debtor") entered into
 9 a Finance Lease agreement (the "Lease"). See Proof of Claim #17-1 ("POC"). Pursuant to the
 10 Lease, Debtor agreed to lease from Caterpillar that certain Caterpillar Motor Grader, Serial No.
 11 ASE01717 and that certain Caterpillar 16G Motor Grader, Serial No. 93U02987 (the
 12 "Equipment") with the option to purchase the Equipment at the end of the lease term. Out of an
 13 abundance of caution, Debtor granted Caterpillar a security interest in the Equipment, including,
 14 but not limited to, all attachments, accessories and optional features for the Equipment.
 15 Caterpillar properly perfected its security interest in the Equipment, among other things, by filing
 16 a UCC Financing Statement on October 4, 2006 as Document Number 2006033329-9. See POC.

17 Debtor failed to make its monthly payment under the Lease for April and May 2009,
 18 constituting default under the loan documents. On or about April 1, 2009 (the "Petition Date"),
 19 Debtor filed its Chapter 11 bankruptcy petition. As of the Petition Date, Caterpillar had a claim in an
 20 amount no less than \$231,968.77 against Debtor. Since the Petition date, Debtor has made payments
 21 pursuant to the Lease.

22 Pursuant to the Plan, Debtor intends to reject the Lease and treat Caterpillar's claim as a
 23 general unsecured claim. See Exhibit N to the *Second Amended Modified Disclosure Statement*
 24 [Docket No. 798]; see also Plan. However, the Plan fails to provide for the immediate turnover of

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1 the Equipment to Caterpillar. Accordingly, Caterpillar objects to the Plan for being deficient in this
2 regard and respectfully requests that the Plan provide for Debtor to immediately return the
3 Equipment to Caterpillar.

4 DATED this 4th day of January, 2010.

5 SNELL & WILMER L.L.P.

6
7 By: 

8 Robert R. Kinas, Esq.

9 Claire Y. Dossier, Esq.

10 Nishat Baig, Esq.

11 3883 Howard Hughes Parkway, Suite 1100

12 Las Vegas, NV 89169

13 *Attorneys for Caterpillar Financial Services*
14 *Corporation*

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LLP
LAW OFFICES
3883 HOWARD HUGHES PARKWAY, SUITE 1100
LAS VEGAS, NEVADA 89169
(702)784-5200